



The City of San Diego

Staff Report

DATE ISSUED: 5/19/2020

TO: City Council

FROM: Economic Development

SUBJECT: Community Parking Districts FY2021 Annual Plans and Budgets

Primary Contact: Ben Verdugo Phone: (619) 533-4741

Secondary Contact: Elizabeth Studebaker Phone: (619) 533-4561

Council District(s): 3, 9

Overview:

In accordance with Council Policy 100-18, annually, each Community Parking District (CPD) shall develop, through community input, and recommend to the City Council, an Annual Plan and Budget. The following staff report summarizes the Community Parking District FY2021 Annual Plan and Budget.

Proposed Actions:

1. Approve the FY2021 Annual Plans & Budgets for the Uptown, Downtown, and Mid-City Community Parking Districts (CPD). Copies of each Plan and Budget are on file with the Office of the City Clerk.
2. A resolution authorizing the Mayor or designee to execute five-year agreements with Uptown and Mid-City Parking Districts and expend funds from the CPD Funds as needed but in accordance with the CPD FY2021 Annual Plans and Budgets in order to implement the CPD FY2021 Annual Plans & Budgets contingent upon the CPD FY2021 budget being approved.
3. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend the CPD Fund Balances and Interest Fund Balances relating to the Uptown CPD (UCPD), Downtown CPD (DCPD), Mid-City CPD (MCCPD), and CPD City Allocated Fund, No. 200488, from FY2020 for FY2020 or prior year expenditures anticipated to be processed in FY2020, with the thereafter remaining FY2020 Fund Balances and Interest Fund Balances relating to each of these CPDs and the CPD City Allocation Fund to be carried forward to FY2021.
4. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend from the UCPD Fund No. 200490 for the FY2021 UCPD Program an amount not to exceed \$720,119 plus or minus any year-end adjustment to reconcile actual revenue and expenditures plus the remaining amount of the FY2020 Fund Balance carried forward to FY2021.
5. Contingent upon the certification that funds are available, the Chief Financial Officer is authorized and directed to appropriate and expend from the Downtown CPD Fund No. 200489 for the FY 2021 Downtown CPD Program an amount not to exceed \$1,974,780, plus or minus any year-end adjustment to reconcile to actual revenue and expenditures, plus the remaining amount of the FY 2020 Fund Balance and Interest Fund Balance carried forward to FY 2021, which includes a transfer of \$660,000 from CPD Admin Fund No. 200488 for the Little Italy Removeable Bollard Program.

6. Contingent upon the certification that funds are available, the CFO is authorized and directed to appropriate and expend from the MCCPD Fund No. 200491 for the FY2021 MCCPD Program an amount not to exceed \$68,082 (including the portion for University Heights CPD) plus or minus any year-end adjustment to reconcile to actual revenue and expenditures plus the remaining amount of the FY2020 Fund Balance carried forward to FY2021. In conjunction with the FY2021 MCCPD Proposed Budget, the Community Parking District Program is recommending the approval of a new Parking Meter Zone on 30th Avenue from Upas to Adams Avenue for parking turnover as requested by the MCCPD.

7. The CFO is authorized and directed to appropriate and expend from the CPD City Allocated Fund, No. 200488 for eligible projects and activities, and City administration thereof, in an amount not to exceed \$3,376,977, plus or minus any year-end adjustment to reconcile to actual revenue and expenditures, plus the remaining amount of the FY2020 Fund Balance carried forward to FY2021.

Discussion of Item:

Staff recommendation is that Council approve proposed actions shown above.

Community Parking Districts (CPD's) are authorized under City Council Policy (CP) 100-18, adopted on March 4, 1997 and most recently amended on July 16, 2015. CP 100-18 establishes a "Community Parking District Program" that allows communities, with the approval of the City Council, to implement parking solutions in neighborhoods that face serious parking challenges. This Policy allocates a net 45 percent of parking meter revenues to the community from which it is generated. At present, the City has five CPD's: Uptown, Downtown, Mid-City, Old Town, and Pacific Beach. However, only the first three districts have parking meters and subsequent parking revenue.

Pursuant to state law, the use of CPD funds must primarily relate to parking or the control and management of traffic (including vehicular, bicycle, or pedestrian traffic) which may affect or be affected by the parking of vehicles within parking meter zones. Therefore, as outlined in CP 100-18, CPD funds are dedicated for improvements and activities that increase the availability, supply, and effective use of parking for residents, visitors, and employees. Under CP 100-18, the City also recovers appropriate and eligible expenses and sets aside funding for future eligible expenses in a special Parking Fund.

Based on previous City Attorney memoranda, Parking Projects funding may be accumulated over time for future capital improvements (such as parking meter replacement), or may be used for parking or traffic control and management related to parking.

Each CPD has a designated advisory board responsible for making recommendations to the City on parking-related matters, and as applicable, for developing plans and expending allocated revenue in accordance with CP 100-18. The advisory boards operate through a non-profit organization and contract with the City to manage CPD funds where such funds are generated within the respective CPD. It should be noted that currently, there are five-year operating agreements effective through June 30, 2020 for Uptown and Mid-City Parking Districts. Concurrent with the FY2021 Budgets will be a request to approve new five-year agreements for both parking districts through FY2025.

Parking meter revenue reductions related to COVID-19 is estimated at approximately \$1.8 million thru the duration of FY2020 compared to previous years due to non-programming of meters starting on March 12th. Should the continuation of non-programming continue through July or later, revenue reductions will be even greater than the above mentioned \$1.8 million. Since the CPD program has historically accumulated reserve funds on an annual basis, there will be no impact on FY2020 or FY2021 CPD programming.

In addition to parking meter revenue reductions, parking garage revenues were also reduced in FY20, impacting the Downtown Community Parking District Budget. In 2000 the Former Agency constructed a 500-stall public parking facility, Park It On Market, located at the corner of 6th Avenue and Market Street. Parking meter revenue was used to finance and pay the debt service for the facility. Additionally, parking meter revenue was pledged for future bond payments for a period of 25 years, in the event that net

operating income was insufficient to cover the annual debt service of the garage. Due to Covid-19 restrictions, there was a shortfall of \$460,080 in FY20 which was funded by Downtown's 45% of parking meter revenues. Annual debt service for the Park It On Market public parking facility is \$838,040 for FY21 (1999A bonds) which is due to mature in 2025.

In 2004 the Former Agency completed construction of the 6th & K Parkade, containing 1,230 parking spaces, which was a public/private venture with 1,000 spaces servicing the public, and 230 below-grade spaces servicing the Omni Hotel. Parking meter revenue was used to finance and pay the debt service for the facility. Additionally, parking meter revenue was pledged for future bond payments for a period of 25 years in the event that net operating income was insufficient to cover the annual debt service of the garage. Due to Covid-19 restrictions, there was a shortfall of \$668,956 which was funded by Downtown's 45% of parking meter revenues. Annual debt service on the 6th & K Parkade public parking facility is \$1.28 million for FY21 (2003B bonds) which is due to mature in 2026.

In recognition of the unknown impact that COVID-19 will have on CPD parking meter revenues for FY2021, Economic Development and Office of the City Treasurer staff will monitor revenues as parking meters are re-programmed and businesses continue to reopen. Additionally, Economic Development staff will work closely with CPDs to provide flexibility to adjust activities which may be impacted by ongoing stay-at-home restrictions.

Uptown Community Parking District

Uptown Partnership, Inc., a non-profit corporation, is the advisory board for the Uptown CPD which was created in 1997. Uptown Partnership, Inc. has prepared implementation guidelines that include recommendations for several Uptown neighborhoods, including: Hillcrest, International Restaurant Row, Mission Hills and Bankers Hill. Their plans address parking inventory/supply, traffic circulation, public information, public transit and comprehensive system management as it pertains to managing parking and traffic, affecting and affected by parking meter zones.

Uptown CPD Performance Measures

The UCPD consists of approximately 1,502 single space and five multi-space parking meters. The average utilization rate for all parking meters is approximately 52 percent. The average utilization rates for Bankers Hill, Hillcrest, Five Points/International Restaurant Row, and Mission Hills are 49 percent, 64 percent, 46 percent and 49 percent, respectively. The estimated revenue for FY2020 was \$720,119 plus \$3,047,896 carry over from prior years. Estimated expenditures for the first nine months of FY2020 are approximately \$400,000.

In the first nine months of FY2020, the UCPD has implemented 25 parking projects, including, implementation of new parking meters, time limit parking, conversion of excessive red curb to add new parking for local businesses, installation of commercial loading zones, ADA parking spaces, and passenger loading zones. This is on pace with FY19 parking project output. The UCPD has identified and in the process of converting 14 blocks of parallel-to-angled on street parking. These parking conversions that lead to more than 70 new parking spaces. The community valet program parked approximately 3,500 vehicles. The DMV lot, which the UCPD leases for public use, continues to be available for public parking during certain weekday evenings.

The UCPD has allocated over \$2,500,000 of funding to supplement and provide extraordinary features to SANDAG's Normal Street Promenade and Fourth and Fifth Avenue Bike Ways projects, in Hillcrest and Bankers Hill, respectively. Parking gains associated with the Normal Street Promenade will amount to a net gain of 40 spaces. Collaboration between the UCPD, the City and SANDAG to fund and obtain approval of these projects has been a monumental undertaking and unprecedented achievement.

In an effort to track and report performance and productivity of the CPDs, City staff have developed a method to analyze the previous year's Plan and Budget. In this case analysis is performed on the FY2020 Plan and Budget and includes two metrics. The first metric compares the projects stated in the Plan and Budget versus the projects completed, or in process of completion, by the CPD and City staff. Of the 25

general project types stated in the UCPD FY2020 Plan and Budget, 19 have been completed, or in process of completion. This represents a productivity rate of 76%. The second metric compares budget allocated in the Plan and Budget versus the budget utilized.

Of the \$7,460,173 allocated in the FY2020 Plan and Budget \$400,000 had been expended through the first nine months. This represents a 5% productivity rate. It should be noted that this analysis represents only 9 months, or $\frac{3}{4}$ of the year, and therefore both productivity rates will increase by year's end. It is also worth noting that the monetary metric can be heavily weighted by one or two large projects which has not yet been completed. For example, as previously mentioned, UCPD has nearly \$2,500,000 dollars allocated toward SANDAG's Normal Street Promenade, currently in the design phase, and Fourth and Fifth Avenues Bikeways projects. UCPD has not yet expended those funds; however, once expended the productivity rate will increase dramatically.

Downtown Community Parking District

The Downtown CPD was established by the City in 1997 in order to invest in and manage public parking assets within downtown San Diego. The Downtown CPDs goals are to increase and manage the existing supply of public on-street and off-street parking, enhance signage and way-finding, bike infrastructure, calm traffic, reduce congestion, promote walking and biking, and provide for pedestrian safety improvements as it pertains to managing parking and traffic, affecting and affected by parking meter zones. Since the inception of the Downtown CPD, Civic San Diego has managed to leverage parking meter revenue with property tax increment and other revenues in order to fulfill the mission of the Downtown CPD.

Downtown CPD Performance Measures

The DCPD consists of approximately 2,716 single space and 130 multi-space parking meters. The average utilization rate for all parking meters is approximately 60.0 percent. The estimated revenue for FY2020 was \$1,974,000 plus \$5,653,335 carry over from prior years. Estimated expenditures for the first nine months of FY2020 are approximately \$1,850,000.

In the first nine months of FY2020, the DCPD implemented 45 parking projects, including, implementation of new parking meters, time limit parking, conversion of excessive red curb to add new parking for local businesses, installation of commercial loading zones, ADA parking spaces, and passenger loading zones. This is on pace with FY19 parking project output. The DCPD completed conversions from parallel to angled parking along four blocks, which will lead to more than 20 new parking spaces. The DCPD will continue evaluating and implementing parking conversions along blocks identified in the Downtown Mobility Plan, to offset parking losses due to the implementation of numerous bike lanes in Little Italy, Gaslamp and East Village.

The DCPD continues to operate the Downtown Circulation Shuttle (FRED: Free Ride San Diego) and has provided over 370,000 rides to 620,000 riders, totaling:

- Miles Driven = Over 700k
- Gas Saved = Over 35,000 gallons
- CO2 Emissions Saved = 311 metric tons
- CO2 Emissions Equivalents / emissions saved equivalent = 67.2 personal vehicles driven, 106 tons of waste recycled instead of landfilled, 36 homes' energy use for one year
<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
- Jobs Created - 39 @ living wage (full and part time)

Little Italy continues to operate a highly successful Universal Valet Program, which helped park over 17,000 vehicles through February (although operations have ceased in April due to Covid-19), and is implementing a removable bollard program on West Date Street between Kettner Boulevard and Front Street.

The Gaslamp Quarter continues to operate the Fifth Avenue Active Loading Zone, an initiative that removed nighttime parking on Fridays and Saturdays from 8:00pm–3:00am along Fifth Avenue between Broadway and Harbor Drive and replaced it with a three-minute active passenger loading/unloading zone, to help increase non-motorized mobility in the area. The Gaslamp Quarter is also in the process of replacing single head meters with multi-space meters to decrease sidewalk blockages and increase mobility in the area. Columbia, Marina, Cortez, and Core (neighborhoods) are all implementing projects for pedestrian and bicycle safety and mobility.

As described previously, City staff have developed a two-metric analysis of the previous year's Plan and Budget. Of the 13 general project types stated in the DCPD FY2019 Plan and Budget 9 have been completed, or in process of completion. This represents a productivity rate of 69%. Of the \$12,940,643 allocated in the FY2020 Plan and Budget \$1,850,000 has been expended through the first nine months. This represents a 14% productivity rate. Again, it is also worth noting that the monetary metric can be heavily weighted by a single large project which has not yet been completed. For DCPD this is represented by the East Village Green parking structure project. DCPD has \$3,753,000 allocated to the parking structure which has not yet been expended. The project is moving forward as planned, with construction scheduled to begin in 2020.

Mid-City Community Parking District

While in 1997, the City created an overarching CPD for Mid-City with one advisory board, that advisory board recommended and approved a Memorandum of Understanding in 1999 that was entered into by three constituent non-profits to each act as the responsible fiscal entity to carry out the CPD Program for their respective geographic portions of the CPD. The El Cajon Boulevard Business Improvement Association (ECBBIA) serves as the Greater Mid City Community Parking District advisory group. The Greater Golden Hill (GHCDC) and University Heights Community Development Corporations (UHCDC) administer their respective portion of the district revenues. The Mid-City CPD has developed a revenue sharing plan for these three communities. The advisory board meets monthly to address common parking concerns. However, separate Annual Plans and Budgets have been submitted by ECBBIA and UHCDC. Due to the very small amount of funding available to GHCDC for FY2021, no agreement is proposed.

The goals of the Mid-City CPD are to improve the community by increasing parking options, ensuring safe and friendly streets, increasing pedestrian activity, and advancing alternative transportation options as it pertains to managing parking and traffic within parking meter zones.

Mid-City CPD Performance Measures

The MCCPD consists of approximately 233 single space parking meters. The average utilization rate for all parking meters is approximately 34 percent. The estimated revenue for FY2020 was \$73,570 (including University Heights CPD) plus \$723,307 carry over from prior years. The estimated expenditures for the first nine months of FY2020 are approximately \$62,000.

In the first nine months of FY2020, the MCCPD has implemented 25 parking projects, including, implementation of new parking meters, time limit parking, conversion of excessive red curb to add new parking for local businesses, installation of commercial loading zones, ADA parking spaces, passenger loading zones and motorcycle parking. This is on pace with FY19 parking project output. The MCCPD has operated a successful valet program for the 30th Street and Adams Avenue area, parking approximately 1500 vehicles annually. The MCCPD has continued working toward conversions from parallel to angled parking for approximately 20 blocks. In total the project will to more than 100 new on-street parking spaces between FY19 and FY20.

The MCCDP also completed a comprehensive parking study along 30th Street to prepare for the loss of parking spaces due to the implementation of dedicated bicycle lanes. As a result the CPD Program is recommending the installation of parking meters on 30th from Upas to University (east side of the street) and from University to Adams (west side of the street). A new parking meter zone will have to be

approved and the goal is to have the parking meter zone and MCCPD FY21 Budget approved concurrently.

As described previously in the report, City staff have developed a two-metric analysis of the previous year's Plan and Budget. Of the 10 general project types stated in the MCCPD FY2020 Plan and Budget, 7 have been completed, or are in process of completion. This represents a productivity rate of 70%. Of the \$763,000 allocated in the FY2020 Plan and Budget \$59,000 has been expended. This represents an 8% productivity rate.

City Staff Performance Measures

In the first nine months of FY2020, Economic Development Department staff have spent 29 percent of time on Uptown CPD projects, 38 percent on Downtown CPD projects, 16 percent on Mid-City CPD projects, and 17 percent on general-CPD work, which benefits all projects.

In the first nine months of FY2020, 95 parking projects have been completed. This is on pace with FY19 parking project output. These projects constitute a mixture of requests from the individual CPDs and general constituency, including business owners and residents. The parking projects included head-in parking conversions, color curb evaluations (i.e., reduction, extension, installation, or removal), time limit parking, and parking meter installation/removal. The amount of time it takes to complete parking projects varies between 1 to 12 months. There are some cases, for example, angle parking conversions, where a project may take more than a year to complete. There are multiple steps involved with each project including, engineering evaluation, public outreach, community planning group approval, and work order creation. Further, implementation of projects is coordinated with the Transportation and Storm Water Department (Street Division).

The administration costs for FY2020, which include staff time from Economic Development Department (CPD Program) and City Treasurer's Department (Parking Meter Operations), as well as funds to manage, operate and maintain existing parking meters within the City, and is managed by the City Treasurer's Department, are estimated at \$3,383,685.

City CPD Funds

Pursuant to CP 100-18, 55% of net parking meter revenues are retained by the City in the CPD City Allocated Fund for current or future eligible activities or improvements, such as new parking technologies, and general mobility improvements.

City staff completed the full installment of new technology single space meters in March 2015 and new/retrofit multi-space meters in March 2016. City staff continues to identify, in coordination with individual CPDs, locations for installation of new single, dual, and multi-space parking meters. City Treasurer staff continues to contract with a mobile payment provider Parkmobile. Mobile payments work on a smart phone application, which customers can use to purchase time at City parking meters. Currently Parkmobile is accepted at over 2,200 meters.

City staff are actively exploring new options to use the City's portion net parking meter revenues to provide enhanced mobility options. Options for the use of funding include, further funding the Normal Street Promenade project in Uptown, City bikeways projects, and active transportation safety related improvements.

Proposed City CPD Fund expenditures for FY21 include \$660,000 for the completion of the Little Italy Removable Bollard Project, which will transform West Date Street from Kettner Boulevard to Front Street into a pedestrian promenade for regular events. Detail on the bollard project can be found in the backup for this item. It is anticipated that the project will be completed in September 2020, as it is currently under review by the Development Services Department. Additionally, \$825,000 has been allocated to the City's Smart Streetlight Program to optimize traffic and parking utilization via intelligent sensors and will guide City efforts to streamline efficiencies related to vehicle congestion. This item is being led by the Sustainability Department and future required action(s) will be managed by that department.

Additionally, in accordance with CP 100-18, the CPD Admin Fund reimburses eligible expenses to the Transportation and Storm Water Department for services performed within the Parking Meter Zones within Community Parking Districts. This figure for FY2018 and FY2019 was \$920,000 and \$1,459,612 respectively, although it is difficult to estimate the transfer for FY2020 due to Covid-19.

City Strategic Plan Goal(s)/Objective(s):

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods.

Objective #3: Invest in infrastructure.

Objective #5: Cultivate civic engagement and participation.

Goal #3: Create and sustain a resilient and economically prosperous City.

Objective #1: Create dynamic neighborhoods that incorporate mobility, connectivity, and sustainability.

Fiscal Considerations:

This action authorizes the transfer, appropriation and expenditure (via agreements/MOU) of CPD funding of an estimated \$2,762,981 of FY2021 Revenues and \$9,087,999 of FY2021 beginning Fund Balance, to the individual CPD funds, and \$3,376,977 of FY2021 Revenues to the CPD City Allocated Fund, which the City Council previously appropriated in the FY2020 Annual Budget, plus the carry-over from previous years and any year-end adjustments within the CPD funds. There is no new fiscal impact to the City.

Charter Section 225 Disclosure of Business Interests:

Each Community Parking District proposed to contract with the City through the proposed agreements is a California non-profit benefit corporation. Because such a non-profit public benefit corporation does not have natural persons who are owners of the corporation, there are no natural persons who will receive more than 10% of the contracted amount or who own more than 10% of the entity contracting with the City, for purposes of San Diego Charter Section 225.

Environmental Impact:

This activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(2), as it will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Equal Opportunity Contracting Information (if applicable):

Contracts or agreements associated with this action are subject to the City's Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Municipal Code Sections 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

Previous Council and/or Committee Actions:

Council approved FY2020 Mid-City and Uptown CPD Annual Plans and Budgets via: Resolution R-312525, recorded June 21, 2019, and approved FY20 Downtown CPD Annual Plan and Budget via: Resolution R-312637, recorded August 12, 2019.

Key Stakeholders and Community Outreach Efforts:

Direct beneficiaries of this action include the administering non-profits: Civic SD; ECBBIA; Uptown Partnership and UHCDC. Other beneficiaries are motorists, residents, and businesses within each CPD.

CPD Advisory Boards hold regular meetings and provide information via newsletter or on-line, and considers and votes on the Annual Plan and Budget at a public meeting. Also, CPD representatives sit on the citywide Parking Advisory Board and provide updates at meetings that are noticed and open to the public.

Christina Bibler

Director, Economic Development Department

Erik Caldwell

Deputy Chief Operating Officer, Smart and
Sustainable Communities

Attachment(s):

1. Uptown CPD FY2021 Annual Plan and Budget
2. Downtown CPD FY2021 Annual Plan and Budget
3. Midcity CPD (El Cajon Boulevard) FY2021 Annual Plan and Budget
4. Midcity CPD (University Heights) FY2021 Annual Plan and Budget